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ABSTRACT

Four rationales for free enterprise economics education are discussed and information sources for economics teachers are listed. About half the states in this country have mandates requiring economics instruction. Rationales for free enterprise education, for consumer or personal economics, for economics from a global perspective, and for economics as citizen education are presented. Representative statements from mandates in Florida, Illinois, and Utah illustrate the wide range of concerns and interests with regard to economics education. But whatever the content focus, the teaching of economics involves ideology and is never value-free. It is, therefore, very important for teachers to think through a rationale for teaching economics. An excellent source of information on all aspects of economics education is the Joint Council on Economic Education. The ERIC database also includes numerous documents presenting many points of view regarding economics education. Three examples of excellent ERIC documents are included. (RM)

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AT ISSUE: FREE ENTERPRISE EDUCATION

ERIC Fact Sheet No. 11

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ERIC Clearinghouse for Social Studies/Social Science Education

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AT ISSUE: FREE ENTERPRISE EDUCATION

About half the states in this country have mandates requiring economics instruction of some kind. In part, the mandates have come about as a result of current interest in the economy as evidenced in the media. Interest groups lobbying for economic education have also been effective in getting mandates enacted, and accountability concerns have resulted in economic education (and other) mandates.

The mandates clearly reflect a wide range of concerns and interests. Three representative statements from mandates illustrate this variability:

Florida: "Acknowledging that the free enterprise or competitive economic system exists as the prevailing economic system in the United States . . . The program shall provide a full explanation of the factors governing the free enterprise system and the forces influencing production, distribution, and consumption of goods and services. It shall provide an orientation in other economic systems."

Illinois: "Pupils in the public schools in grades 8 through 12 shall be taught and be required to study courses which include instruction in consumer education, including but not necessarily limited to installment purchasing, budgeting, comparison of prices, and an understanding of the roles of consumers interacting with agriculture, business, labor unions, and government in formulating and achieving the goals of the mixed free enterprise system."

Utah: "All public high schools shall give instruction on the essentials and benefits of the Free Enterprise System . . . (Schools are to) not only offer a course in the Free Enterprise System, but they shall also become advocates of such system and engage in the necessary activities to ensure that such classes are taught by competent teachers sufficiently familiar with the system to become its advocate thus helping to preserve the Free Enterprise System against those who would destroy it in favor of socialist experiments which have failed to produce the results in other countries which have been so dramatically demonstrated by the Free Enterprise System in this country."

Note that all three mandates specify that economics instruction focus on "free enterprise," "mixed free enterprise," or the "free enterprise system." These terms identify the major issue in economic education today--namely, the control of its content.

Is it the case that "free enterprise and education are inextricably bound together and private enterprise is critically important to the future of education" (Abrell 1981)? Or are free enterprise courses biased and unbalanced, presenting a pro-business point of view (ASCD 1981)?

These questions cannot be definitively answered. The critical point is recognizing that teaching economics involves ideology. Maintaining that economics is free of values is nonsense. The legitimate posture is to recognize and be open about one's value position. According to Suzanne Helburn, "A teacher should be as truthful as possible with students. A mature person with a value system is a good model for students, but a teacher should use those values as a way to get students exploring ideas. Ideology up front should help make teaching exciting. Ideology shouldn't be imposed, but should be expressed and examined. Students should look at (economic) questions from different points of view" (Nelson and Carlson 1981).

Marilyn Kourilsky states, "The role of economic education should be exposition as opposed to imposition. Many of the organizations devoted to economic education are advocates of a particular philosophy as opposed to being conveyors of information or inquirers. They are often agents of indoctrination rather than inquiry" (Nelson and Carlson 1981).

As educators we must recognize that special interest groups often pressure school boards, publishers, and school administrators. Some interest groups produce materials for classroom use, giving them to the schools. We must also recognize that publishers of economics curriculum materials exist within the larger economic system. Of necessity, they are cautious about including content that may stir controversy. Teachers often face potential difficulties addressing controversial matters, especially given a conservative public.

At this time, therefore, it is particularly important to think through a rationale for teaching economics. Our underlying value position must be made clear. While there are a number of possible approaches, four are predominant:

A Rationale for Free Enterprise Education

The founding fathers of the United States were truly visionaries. They sought to create a new country where individual freedoms were cherished, respected, and upheld; where there was a separation of church and state; and where there was very limited government intervention in the economic lives of citizens.

We have a democratic form of government and a free enterprise economic system. That combination has enabled our country to become one of the economic leaders of the world. Our citizens enjoy one of the highest standards of living of any group of people in the world.

This fact sheet was prepared by James E. Davis, Associate Director of ERIC/ChESS and the Social Science Education Consortium, Inc.

Free enterprise is an integral part of American civilization. It is rooted in American experience. Its basic foundations are grounded in the common soil of the American way of life--personal integrity, private initiative, and public responsibility. If we are to safeguard this way of life, we, as citizens, must understand our political and economic heritage.

A Rationale for Consumer or Personal Economics

The basic institutional organization of the production, distribution, and consumption of goods and services in the United States is the market system. Markets differ in the extent to which competition or monopoly prevails and in the degree of information, mobility, and freedom which individuals have in the marketplace. Depending on the political forces at work, markets are sometimes modified by regulation.

In a market system the consumer is the basic decision maker, determining what firms survive and thrive through decisions to spend or not to spend income. Taken as a whole, the more than 60 million consumer units (individuals and families) in the United States constitute a potentially powerful force in determining what is produced in a market-oriented economy.

Everyone needs to be concerned about personal economic issues. As consumers, we all make decisions about what to buy, how much to buy, whether to borrow, whether to save, whether to invest.

A Rationale for Economics From a Global Perspective

Television, travel, and newspaper headlines provide millions of Americans with a constant flow of information that 30 years ago would have been unimaginable. Subarus, Toyotas, Sonys, Ataris, bauxite, bananas, coffee--these and other products and resources remind us that we are closely linked with the rest of the world.

Interdependence and rapid change are now facts of life. The emerging, complex global society will require a high level of competence to deal with changing situations. We must develop increasing awareness that the U.S. economy is part of the world economy. We need to recognize that competitive forces operate on an international basis, that resources are distributed throughout the world, and that economic policy decisions in one country will have serious effects on other countries.

Studying economics from a global perspective demands a reconsideration of the concept of community. Students of today will need to develop a pluralistic outlook, competence in dealing with diversity, and the ability to analyze economic events from a global perspective.

A Rationale for Economics as Citizen Education

A basic concern of citizenship education is the training of students in the knowledge, skills, and attitudes prerequisite for active and effective participation in civic life. Mature, competent citizens can both advocate and carry out appropriate political actions for the common good. One vital aspect of citizenship education is economic education.

Good citizens should be able to think clearly about economic questions. This ability requires some minimum economic literacy--knowledge about how our economy works and how well it performs. The study of economics also involves learning economic reasoning--the replacement of emotional, unreasoned judgment with objective, rational analysis. It also involves critical thinking in evaluating controversial issues.

Thus, economic education can help young citizens make decisions on a wide variety of economic problems of local, state, national, and international significance and then express their views in the voting booth or in direct participation in political life.

Sources of Help

An excellent source of information on all aspects of economic education is the Joint Council on Economic Education, 1212 Avenue of the Americas, New York, NY 10036. The ERIC data base also includes numerous documents presenting all points of view regarding economic education. The following are three examples of the excellent documents in the data base:

ED 216 946. A Study of State Mandates and Competencies for Economics Education, by Dennis C. Brennan and Ronald A. Banaszak (Stockton, CA: Center for the Development of Economics Education, 1982). EDRS price: MF-$0.97 plus postage; PC available only from publisher (CDEE, University of the Pacific, Colliver Hall, Room 202, Stockton, CA 95211)-$2.00. Reports on a project that surveyed the states to determine the existence and content of state mandates and competency statements as they relate to economic literacy.

ED 214 837. Preparing to Teach Economics: Approaches and Resources (Revised and Expanded Edition), by Suzanne W. Helburn and James E. Davis (Boulder, CO: ERIC/ChESS and SSEC, 1982). EDRS price: MF-$0.97; PC-$8.60, plus postage. PC also available from publisher (SSEC Publications, 855 Broadway, Boulder, CO 80302)-$7.95. Provides building blocks necessary for developing a course of study in economics for secondary students. Presents extensive listings of resources.

ED 209 163. Economic Education: Links to the Social Studies, edited by S. Stowell Symmes (Washington, DC: National Council for the Social Studies, 1981). EDRS price: MF-$0.97 plus postage; PC available only from publisher (NCSS, 3501 Newark Street, NW, Washington, DC 20016)-$6.25. A collection containing background readings and suggestions to help K-12 social studies teachers incorporate economics in their classes.

An ERIC search containing 97 citations of economics resource materials for grades 1-12 is available for $10.00 from ERIC/ChESS, 855 Broadway, Boulder, CO 80302. Prepayment required.

References

Abrell, [illegible], "Free Enterprise Education: An Idea Whose Time Has Come," Journal of Business Education 56, No. 8 (May 1981), p. 320.

ASCD Update 23, no. 6 (December 1981).

Nelson, Jack L. and Kenneth Carlson, "Ideology and Economic Education," in Economic Education: Links to the Social Studies, edited by S. Stowell Symmes (Washington, DC: NCSS, 1981).